STATE OF COLORADO

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Dedicated to protecting and improving the health and environment of the people of Colorado

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Sliding Fee Scale Guidance

Sliding Fee Scales (SFS) are used in clinics that wish to provide access to low income people, including community and migrant health centers, free clinics, mobile clinics, homeless centers, school-based health centers, and other sites providing outpatient comprehensive primary care to medically underserved populations. SFS are established and implemented to ensure that a non-discriminatory, uniform, and reasonable charge is consistently applied for patients who are underinsured or uninsured. The implementation of a SFS is a program requirement of the National Health Service Corps Scholar and Loan Repayment Programs, the State Health Care Professional Loan Repayment Program, and the International Medical Graduate Waiver Programs, administered by the Primary Care Office. The federal requirements of the Health Resources and Services Administration suggest that a locally determined discounted or sliding fee scale be used for provider incentive programs, and that health care services be provided either at no fee or a nominal fee, as determined by the practice.

Sliding fee scales are based on the annual Federal Poverty Guidelines (FPG) and fee for services must reasonably coincide with such guidelines. The FPG establish a patient's eligibility and ability to pay using annual income and family size. In creating or using a SFS, in accordance with provider incentive programs requiring a SFS, a clinic must adhere to the following:

- The SFS must be in writing, with an associated SFS policy including a non-discrimination clause and a statement that patients will be provided care regardless of ability to pay.
- Signage must be prominently posted in common areas notifying patients of the availability of the SFS.
- Practices may require that patients complete an application to determine financial eligibility for the SFS, including corresponding documentation, so long as the documentation required does not create an intended barrier to accessing the SFS. Many options for verifying income should be available, including recent paycheck stubs or recent bank account statements. Some indigent patients may not have an income high enough to file a federal tax statement so do not include a 1099 as a required document. Applications for the SFS should be confidential.
- Patient records should be kept to account for each visit and the charges incurred. Copays according to income are acceptable to collect when services are provided. If a patient is delinquent in payment to a practice for services, the practice is not required to provide service without payment.
- Patients at or below 100% of poverty must be charged a nominal fee (for example a \$10 clinic fee) or not charged at all.
- Clinical practice sites may establish a number of incremental percentages (discounted pay classes) as they find appropriate between 100-200% of poverty.
- Patients above 200% of poverty may be charged full fees for services, <u>or</u> clinical practice sites may continue to charge incremental percentages for services until 100% of the full fee is reached.

Sliding Fee Scale Example

PERCENT OF DISCOUNT APPLIED TO PREVAILING WAGE FOR SERVICES RENDERED AND ACCORDING TO INCOME

	\$10 clinic fee	80% discount	70% discount	60% discount	50% discount	40% discount	30% discount	20% discount	10% discount
PERCENT OF POVERTY GUIDELINE									
Family Size	≤100%	101% - 120%	121% - 140%	141% - 160%	161% - 180%	181% - 200%	201% - 220%	221% - 240%	241% - 250%
1	10,830.00	12,996.00	15,162.00	17,328.00	19,494.00	21,660.00	23,826.00	25,992.00	27,075.00
2	14,570.00	17,484.00	20,398.00	23,312.00	26,226.00	29,140.00	32,054.00	34,968.00	36,425.00
3	18,310.00	21,972.00	25,634.00	29,296.00	32,958.00	36,620.00	40,282.00	43,944.00	45,775.00
4	22,050.00	26,460.00	30,870.00	35,280.00	39,690.00	44,100.00	48,510.00	52,920.00	55,125.00
5	25,790.00	30,948.00	36,106.00	41,264.00	46,422.00	51,580.00	56,738.00	61,896.00	64,475.00
6	29,530.00	35,436.00	41,342.00	47,248.00	53,154.00	59,060.00	64,966.00	70,872.00	73,825.00
7	33,270.00	39,924.00	46,578.00	53,232.00	59,886.00	66,540.00	73,194.00	79,848.00	83,175.00
8	37,010.00	44,412.00	51,814.00	59,216.00	66,618.00	74,020.00	81,422.00	88,824.00	92,525.00

^{*} For family units of more than 8 members, add \$3,740 for each additional member.

For detailed information on the Health Resources and Service Administration recommendations and requirements on how to develop a sliding fee scale, please visit: http://nhsc.hrsa.gov/communities/discountedfee.pdf.